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JOINT STAFF FOR DD PMA-A FOR WTC
COMMERCE FOR BIS (GOLDMAN)
NSC FOR LEDDY
WINPAC FOR WALTER

E.O. 12958: N/A

TAGS: PARM PREL CWC

SUBJECT: CHEMICAL WEAPONS CONVENTION (CWC): WRAP-UP FOR
OPCW EXECUTIVE COUNCIL SESSION, SEPTEMBER 25-28, 2007
(EC-50)

REF: STATE 134655

This is CWC-79-07.

¶1. (U) ACTION ITEMS -- see paragraphs 31 and 69.

SUMMARY

¶2. (U) Executive Council 50 approved the OPCW's zero nominal growth budget for 2008, in a newly productive spirit of getting things done after the large agenda of unfinished business it inherited from the previous session. The Ambassador's statement urging cooperation in resolving the backlog was echoed by several others, and individual delegates expressed appreciation in private for the statement. Consultations on the budget continued during the lunch break throughout the week and ended on the floor of the Council Friday evening, with a hard-fought consensus on the Director General's proposal to use funds from the revised destruction inspection schedules toward inspector training and equipment. NAM members, particularly Iran and South Africa, fought for a shift of funding to International Cooperation and Assistance programs, but in the end agreed to compromise language to identify additional voluntary funding for ICA programs.

¶3. (U) Although passing the budget before the Conference of States Parties (CSP) was the most notable achievement, EC 50 also agreed to continue work toward a decision at the CSP on Article VII implementation. NAM efforts to push an Article XI action plan, and linking Articles XI and VII, continued, but the EC agreed to ongoing consultations on Article XI without language on a possible decision.

¶4. (U) The Director General's proposal for a Programme in Africa in lieu of an OPCW office in Africa found fairly widespread support among the African group. Donor delegations, including the U.S., succeeded in adding language on budgetary implications and including donors in future

consultations on the program to the EC report welcoming the DG's initiative.

15. (SBU) Our stand-off with the Russians over approval of the Maradykovsky documents, with their reciprocation on Pine Bluff and Newport, continued. In a private intervention with the Russian delegation at the traditional Russian/U.S. EC reception, Ambassador and delreps requested that the Russians allow approval of the first-ever U.S. industrial (Schedule 2) facility agreement (CIBA). There was no discussion of the agreement which was gavelled through in the Council. End Summary.

DONOR COORDINATION MEETING

16. (U) The September 24 informal coordination meeting of States Parties assisting Russia in its CW destruction was chaired by Mr. Frank Van Beuningen of the Dutch MFA. After accepting the draft report of the last meeting, delegations provided an update on their assistance efforts, with more detailed presentations from the U.S., UK and Canada. Dr. Tom Hopkins (Acting Assistant to the Secretary of Defense for Nuclear, Chemical and Biological Defense Programs) provided a comprehensive overview of U.S. CTR efforts in Russia, including projects completed and precise figures to clarify exactly how much the U.S. spends in Russia and on Russian contractors. Hopkins also touched on CTR assistance in Albania, noting the parallels in complexity and unpredictability of CW destruction

17. (U) UK MOD rep James Harrison noted some improvements in cooperation with Russia's Federal Agency for Industry, but also highlighted some areas of particular concern, especially

with restrictions imposed by Russian import legislation and continuing difficulties in resolving disagreements over customs/taxes. Canada provided an update on the agreement being negotiated for joint Canada/UK assistance at Khizner, and on its efforts at Shchuch'ye, highlighting lengthy delays caused by such bureaucratic requirements as obtaining tree-cutting permits before continuing work on the railway between the storage and destruction facilities.

18. (U) The Russian delegation gave an overview of progress, accompanied by its usual call for "urgent action" on the part of donor states and provision of a schedule for disbursement of the remaining funds. In response to other presentations, Russia highlighted the need for donors to comply with Russian legislation, particularly where taxes were concerned, and noted that Russia has no legal basis to provide site access to any SP except those which have signed direct agreements with Russia (thereby excluding donors who contribute through the UK).

DESTRUCTION INFORMALS

19. (U) The Monday session (September 24) of the destruction informals was in keeping with recent sessions in its lack of dialogue and seeming lack of interest by delegations in using the opportunities provided for questions of the Technical Secretariat and the possessor states. Where available, hard

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copies of presentations will be forwarded to Washington. Director of Verification Horst Reeps briefed delegations on verification of CW destruction and industry since the last session of the EC, noting the number of OCPF inspections that had been "wasted" on facilities that should not have been declared. Head of Declarations Steve Wade provided an update on declarations received and/or processed during the intersessional period. Head of Chemical Demilitarization Branch Dominique Anelli provided an unusually lengthy and

detailed update on destruction activities in the possessor states; in the case of the U.S. he covered much of the same information presented later in the session by Mr. Dale Ormond.

¶10. (U) Russia provided an update on destruction and construction activities since EC-49. At Maradykovsky, all spray tanks have been drained, along with 85 percent of the aerial bombs, the Metal Parts Furnace and incinerator are apparently being tested with inert liquids. The second train (smaller caliber munitions) is expected to be operational in the summer of 2008. At Leonidovka, infrastructure construction is well under way and Russia expects to begin testing operations with live agent in June 2008. At Shchuch'ye, Russia highlighted the changes made to the implementing agreement, with a pointed remark about "American responsibility." Russia also indicated progress being made at Pochev and continuing discussions with the UK and Canada on assistance at Khizner. Finally, the Russia rep stressed the importance of launching the new facilities in order to meet the Phase III deadline of December 31, 2009.

¶11. (U) Mr. Dale Ormond, Deputy Assistant Secretary of the Army for the Elimination of Chemical Weapons, presented the detailed U.S. update on destruction, highlighting the achievement of 45 percent destruction six months ahead of the deadline, and major operations at U.S. destruction facilities. A State Party reported that it expects to complete destruction within its extended deadlines, barring any unforeseen mechanical problems or local resident activities to interfere with facility operations. India noted that it is in a difficult period of destruction due to efforts to destroy heels in its bulk mustard containers. China and Japan each made statements regarding progress in planning for Abandoned Chemical Weapons destruction and summarizing excavation, packing and recovery efforts in the intersessional period.

¶12. (U) Libya provided a two-part briefing on progress in conversion of Rabta I and II and plans for the new Rabta Chemical Weapons Destruction Facility. The Libyan official thanked the U.S., UK and Italy for help in "charting the destruction course," and provided information consistent with previous details provided on plans for the destruction facility, to include an estimate that destruction could be completed a year ahead of the extended deadline. On the conversion of the former Chemical Weapons Production Facility at Rabta, Libya presented an interesting slide show on future plans for production of pharmaceuticals to combat AIDS, tuberculosis and malaria in Africa. Light on details on the actual progress in conversion, the briefing focused on the planned capacity for the new facility and the great impact the pharmaceuticals could have on the African continent. The slides did include a few pictures of Rabta today, most notably one of the sandbag wall planted with palm trees, which was accompanied by a pitch from the speaker to be allowed to retain this wall, originally scheduled for destruction as part of the conversion plan.

LIBYA MEETING (WITH UK AND ITALY)

¶13. (SBU) Del reps met with Dr. Hesnawy and other Libyan National Committee officials, and representatives from the UK and Italy to press Libya for more details on its plans for conversion of the former production facility at Rabta, the new chemical weapons destruction facility to be located nearby, and its national implementation in general. Hesnawy provided information on destruction plans consistent with that provided to del rep during earlier discussions in The Hague, and some clarification of the actual reasons for delays in the Rabta conversion.

¶14. (SBU) On plans for destruction, Hesnawy enumerated the reasons for choosing to transport Libya's CW stockpiles from Al Juffra to Rabta for destruction. He expressed great confidence in the contractor selected, which he confirmed to be S.I.P.S.A. Engineering, a firm which apparently has Italian and Swiss branches, both of which Libya plans to work with. He gave no reason for continued delays in signing the contract, but seemed to have no concerns about meeting the extended destruction deadlines well ahead of schedule. Hesnawy also confirmed plans to mix the agent with gas/oil during the transfer to ten isotainers prior to shipment, and indicated in response to more general UK/U.S. questions about project risk (intended to focus on commercial risk) that transportation might pose the biggest risk.

¶15. (SBU) On conversion of the former CWPF at Rabta, Hesnawy admitted that delays have occurred because priority was placed on modifications and construction necessary for pharmaceutical production operations, and not on requirements for conversion in accordance with the CWC. He denied that additional funding could have been helpful, and noted his displeasure at the EU statement to EC-50, which "noted with disappointment" the delays in conversion. In response to a U.S. question, Hesnawy explained that on its third visit to Rabta, the Technical Secretariat requested itemization of equipment inside several additional commercial buildings. Although this should have been requested during earlier TS visits, it does not appear to have any significant impact on the schedule for conversion.

¶16. (SBU) In a private meeting with the U.S., Dr. Hesnawy later asked for U.S. support in a future Libyan request for a change to its conversion plan that would allow it to retain the sandbag wall around the facility. Hesnawy highlighted the damage that could be caused to sensitive equipment simply by the dust raised by tearing down the wall, and the protection the wall offered against desert winds and sandstorms. As his colleague had already done during the

destruction informals, Hesnawy noted the possibility of planting palm trees to alter the original, clearly military, appearance of the wall. U.S. del told Hesnawy it will forward the request to Washington for consideration.

¶17. (SBU) UK rep Chris Rampling also asked several questions related to national implementation. In response to a question about assessed contributions, local delegate Mr. Gheton said that Libya had recently paid its 40,000 Euro to the OPCW. Dr. Hesnawy noted that Libya's legislation has undergone legal review, but still has to go to the General People's Congress (National Assembly). He also noted a problem with insufficient information being received by the National Committee, highlighting an incident in which approximately 700 tons of Schedule 2/3 chemicals were imported from Belgium and India without being declared. The National Committee is still unclear as to which companies imported the chemicals (one of which Hesnawy identified as CAS 105-59-9: methyldiethanolamine), and for what purpose, but suspect based on the chemicals that they are intended for use in petroleum processing.

¶18. (SBU) Finally, Rampling noted that there are "certain States Parties" with an interest in proving that Libya is not a successful case study in terms of renouncing a WMD program and joining/implementing the CWC. Rampling stressed that it is important to show that Libya made the right decision in renouncing its program, and recommended continuing regular, detailed reporting to the Executive Council.

EC 50 - Director General's Statement

¶19. (U) Director General Pfirter opened the formal session of the Council on September 25, speaking at length on quite a

number of topics. The full text can be found on the OPCW external server under document number EC-50/DG.16. He noted the full agenda for this session which he acknowledged as partly a result of the number of items remaining open from previous sessions. Pfirter congratulated Albania on becoming the first possessor state to completely eliminate its entire chemical weapons stockpile. He stated that as of August 31, 2007 the total amount of Category 1 chemical weapons destroyed by Albania, a State Party, India, Russian Federation and United States of America was 33.88 percent of the total declared quantity of chemical weapons in this category. The DG acknowledged the two Chemical Weapons Destruction Facilities (CWDF) currently operational in the Russian Federation - Kambarka and Maradykovsky. He recognized the importance of the prompt commissioning of the units at Maradykovsky and the Russian commitment to completing the work early. The DG further stated that the new site selection methodology will begin in January 2008 and will allow for more equitable site selection.

¶20. (U) DG Pfirter called for all those States Parties that have not yet done so to fulfill their obligations to Article VII and expressed the Secretariat's commitment to providing assistance wherever necessary. Pfirter praised the financial contributions of the EU and other States Parties that allowed the Secretariat to provide a number of courses on assistance and protection. He noted that the subject of the OPCW office in Africa has been on the agenda for some time and he had directed the staff of the ICA division to develop a proposal for a program that would help accelerate progress towards universality and enhance national implementation in the region. (Note: The Programme for Africa appeared the next day for Council consideration.)

¶21. (U) The DG noted the success of various tenth anniversary events, the Academic Forum and the Industry Protection Forum, and expressed his gratitude to Ambassador Javits for his contribution in organizing the upcoming event at Columbia University. The zero nominal growth budget was commended by the DG as meeting the OPCW's objectives and he urged its

acceptance by States Parties. He also urged prompt payment of assessed contributions. Finally, Pfirter advocated aligning OPCW HR practices with the UN common system in regard to lump sum home leave, education grants and paternity leave. He expressed his gratitude to Saudi Arabia and St. Lucia for their contributions to the Scientific Advisory Board and encouraged other States Parties to provide expertise and financial support.

GENERAL DEBATE

¶22. (U) Debate started with Cuba (speaking on behalf of the "NAM CWC States Parties and China"), Portugal (speaking on behalf of the EU and a number of associated countries) and South Africa (speaking on behalf of African States Parties), before moving to individual national statements. Many of the national statements from developing countries referenced Cuba's remarks and built on them. Almost all statements expressed support for a zero nominal growth budget; most statements also congratulated Albania for being the first possessor state to fulfill its destruction obligations. Cuba, the African states, Thailand, China (in its national statement) and Mexico underlined the importance of balance and appropriate allocations and called for more funds to be directed towards International Cooperation programs. Several States Parties expressed disappointment in the slow progress in the implementation of Article VII; Russia described the failure of States Parties to implement legislation as the weak link in the "non-proliferation chain". Mexico was proud to draw attention to its recent establishment of CANDESTI, the government entity which will act as the permanent National Authority in Mexico.

¶23. (U) The new site selection methodology was praised by many States Parties as a step in the right direction. Cuba and the African states called for the speedy appointment of a new facilitator to guide the elements of the methodology that still require attention. South Africa (both in speaking on behalf of African states and in its national statement) welcomed the DG's initiative on the "Programme for Africa" and requested that the Organization take into consideration the special needs of Member States on the Continent, especially in terms of assistance and protection.

¶24. (U) Mexico, China, Algeria and South Africa all stressed the importance of Article XI and the need to follow through on comprehensive implementation. The Iranian Ambassador chose to ignore the notes which had been prepared for him and in his off-the-cuff speech called for a realistic action plan for the implementation of Article XI. China also pointed out that to date there has been no destruction of Japanese abandoned chemical weapons in China and urged a heightened sense of urgency for their complete destruction. Iran, Russia and Cuba stated their strong support for the work of the Host Country Committee, with Cuba inviting the Host Country to address issues in a more proactive and inclusive manner.

BUDGET

¶25. (U) Following grueling daily consultations during the EC and intense negotiations all day Friday with Iran, the EC adopted the 2008 Programme and Budget, including the DG's proposal to reallocate EUR 570,000 within Chapter I for additional training and equipment. Since the excess EUR 570,000 had been identified after revised estimates of U.S. and Russian destruction schedules, a number of countries (most vocally Iran and South Africa, but also Mexico) were intent on moving at least some of those funds to Chapter II to support ICA activities. A number of countries (mostly WEOG) agreed with leaving the whole amount in Chapter II but disagreed with the DG's proposed use, preferring to see the

money spent on additional OCPF inspections. During the course of consultations, most delegations decided to accept the DG's proposal as the best solution to reach consensus; Mexico signaled that it would accept the DG's proposal, leaving South Africa and Iran to come around. Early interventions by some WEOG states to cut the budget rather than reallocate the funds faded toward consensus around the DG's proposal by the end of the week; Japan held out for the cut until Friday's final round when it, too, joined consensus.

¶26. (U) With the help of the co-facilitators, the TS identified approximately EUR 30,000 in Chapter II that it agreed could be reallocated to ICA activities, specifically to support internships and research projects (South Africa's two main areas of interest). However, Iran continued to employ obstructionist tactics but no concrete proposals to the bitter end, insisting that the budget remain open for debate until the CSP.

¶27. (U) Amb. Javits played a pivotal role in securing the NAM's agreement to join consensus at the last moment on Friday night. He proposed report language to allow interested States Parties to work with the TS in identifying ICA-related activities that could be funded through voluntary contributions. However, EU member states almost derailed the process when a few questioned whether it might jeopardize the EU Joint Action or whether Brussels would agree to the additional report language. At the magic hour of sundown during Ramadan, consensus language was reached and the budget approved.

Sub-item 5(a): Detailed plans for destruction verification

¶128. (U) Item 5.1: The Council considered amendments to the agreed detailed plan for verification of the destruction of chemical weapons at the Newport Chemical Agent Disposal Facility, Newport (EC-49/DEC/CRP.4, dated 12 April 2007), these documents were deferred to the next regular Session (EC-51) by the Russian delegation. As no delegation, to include the Russian Federation, has offered comments or requests for revision on the Newport documents, this can be considered a response to U.S. deferral of the Maradykovsky documents.

¶129. (SBU) Item 5.2: The Council considered amendments to the agreed detailed plan for verification of the destruction of Category 1 chemical weapons at Maradykovsky chemical weapons destruction facility, Kirovskaya Oblast, the Russian Federation (EC-49/DEC/CRP.8, dated 18 May 2007), and decided to consider them further at its next regular Session (EC-51).

Likely due to a desire to defer consideration of the documents until after the incinerator (second stage) is operational, the Russian delegation suggested several times to the U.S. that deferral without debate would be the most constructive way to proceed. Del held to its position that discussion in the plenary was necessary, and voiced support for the DG's statement from EC-49, as articulating the requirements for second stage treatment before destruction could be considered complete. (Support was echoed by France, Germany, the UK and Chile.)

¶130. (SBU) Russia continues to insist that CW destruction is complete after the first stage, highlighting a fundamental difference in interpretation of the Convention that may prove difficult to overcome if the U.S. insists on seeking assurances of second stage destruction under Article IV. Although the usual voices on destruction (UK, France, Germany) actually sparked this debate with their desire to approve an acceptable form of the Maradykovsky documents as soon as possible, the U.S. took its traditional role as interlocutor with the Russian delegation, and the week ended in a stalemate on the broader issue of end point of

destruction. Allied delegations agreed that this topic should be discussed further in Berlin on October 25th. With the exception of the aforementioned delegations, there seemed to be little to no concern across the regional groups at the implications of approving the Maradykovsky documents in their current form.

¶131. (SBU) Russia does not appear to feel any pressure to alter the text of its documents, or to accept any draft decision language that defines destruction as occurring after the second stage or refers to verification under Article IV. Del recommends Washington consider a way ahead in advance of the upcoming CWC meeting in Berlin, and will work with local delegations to assess the level of support for any possible efforts.

¶132. (U) Item 5.3: The Council considered amendments to the agreed detailed plan for verification of the destruction of chemical weapons at the Pine Bluff Binary Destruction Facility (PBBDF), Arkansas (EC-49/DEC/CRP.8, dated 18 May 2007) and these documents were deferred to the next regular session (EC-51) by the Russian delegation, despite del's efforts in the plenary to highlight the relatively minor/administrative nature of the changes to the PBBDF verification plan. In a clear response to deferral of its Maradykovsky documents, Russia cited vague concerns about the possible implications of any changes, no matter how minor, and refused to break the Pine Bluff documents free from the reciprocal deferral of destruction documents.

Sub-item 5(b): Conversion of CWPF

¶133. (U) Item 5.4: The Council noted a national paper by the

Russian Federation entitled "Information on the Measures Being Undertaken to Complete Conversion of the Former Facility for Production of VX-Type Substance and Filling It into Munitions, Novocheboksarsk (EC-49/NAT.3, dated 13 June 2007).

¶34. (U) Item 5.5: The Council noted a national paper by the Libyan Arab Jamahiriya entitled "Information on the Measures Being Undertaken to Complete Conversion of the Former Chemical Weapons Production Facilities Rabta Pharmaceutical Factory 1 and Rabta Pharmaceutical Factory 2, Libyan Arab Jamahiriya (EC-50/NAT.5, dated 10 September 2007).

Sub-item 5(c): Progress in meeting revised deadlines

35.(U) Item 5.7: The Council noted a Note by the Director-General on the progress made by those States Parties that have been granted extensions of deadlines for the destruction of their Category 1 chemical weapons (EC-50/DG.12, dated 11 September 2007).

¶36. (SBU) Item 5.8: The Council noted a Note by the Director-General on the destruction by Albania of its Category 1 chemical weapons stockpiles (EC-50/DG.1, dated 4 July 2007), and another such Note on the completion by Albania of the destruction of its chemical weapons stockpiles (EC-50/DG.2, dated 11 July 2007). It also noted the information Albania had provided in this regard (EC-50 NAT.6/Rev.1, dated 26 September 2007), but only after Russia insisted Albania remove a paragraph referring to their destruction having been "in accordance with the Convention," citing the inconsistency of this statement with the fact that Albania had been unable to complete its destruction by the approved extended deadlines.

¶37. (U) Item 5.9: The Council considered and noted a national paper by the Libyan Arab Jamahiriya entitled "Report to the Executive Council on CW destruction Activities during the Extension Period after 29 April 2007 (29 April 2007-30 June 2007)" (EC-50/NAT.4, dated 23 July 2007, and Cor.1, dated 13 August 2007)."

¶38. (U) Item 5.10: The Council considered and noted a

national paper by A State Party entitled "Report to the Executive Council on CW destruction Activities during the Extension Period after 29 April 2007 (29 April-30 June 2007)" (EC-50/HP/NAT.2, dated 23 July 2007).

¶39. (U) Item 5.11: The Council considered and noted a national paper by India entitled "Report to the Executive Council on CW destruction Activities during the Extension Period after 29 April 2007 (29 April-30 June 2007)" (EC-50/HP/NAT.3, dated 25 July 2007).

¶40. (SBU) Item 5.12: The Council considered and noted a national paper by the U.S. entitled "Report to the Executive Council - Destruction Activity As of 30 June 2007" (EC-50/NAT.3, dated 27 July 2007). After a wandering and groundless intervention about the inconsistencies between the U.S. national paper, the DG's suggested modalities for reporting (EC-49/DG.1) and the CSP decision approving the U.S. extension (CSP-11/DEC.17), Iran finally agreed on Friday to note the U.S. paper subject to the inclusion of a chapeau paragraph about possessor state obligations in the report language.

¶41. (U) Item 5.13: The Council considered and noted a national paper by the Russian Federation entitled "Report on Chemical Weapons Destruction Activity at the End of the Current 90-Days Period after 29 April 2007 (As at 30 June 2007)" (EC-50/P/NAT.1, dated 24 July 2007).

¶42. (U) Item 5.14: The Council considered and noted a national paper by China entitled "Progress Report on the Issue of Japanese Abandoned Chemical Weapons in China" (EC-50//nat.1, dated 28 July 2007), and a national paper by

Japan entitled "The Current Status of ACW Projects in China" (EC-50/NAT.2*, dated 24 July 2007).

Sub-item 5(d): Progress made on Article VII

¶43. (SBU) The EC noted the DG's Note on status of implementation of Article VII (EC-50/DG.10, dated 7 September 2007). The report language for this item refers to the various reports made regarding progress and recommends (as per C-11/DEC.4, dated 6 December 2006) that work continue on a decision for CSP-12 to recommend further actions. The facilitator has already issued a draft text for this decision, based on a proposal from the U.S.

Sub-item 5(e): Status of implementation of Article XI

¶44. (SBU) The EC noted the DG's report on the status of implementation of Article XI (EC-48/DG.12, dated 5 March 2007 and Corr. 1, dated 8 March 2007). The report language for this item was carefully crafted to only encourage further consultations with the goal of recommendations for CSP-12 - no mention of an action plan.

Sub-item 5(f): Universality

¶45. (U) Items 5.17 and 5.18. The Council noted the annual report on the implementation of the action plan from 30 September 2006 to 31 August 2007 (EC-50/DG.14 C-12/DG.4, dated 14 September 2007) without discussion.

Sub-item 5(g): Facility agreements

¶46. (U) Item 5.23: The Council considered and approved a facility arrangement with the United Kingdom at the converted chemical weapons production facility located at Randle Island Landfill Site (formerly ICI Randle), Astmoor, Runcorn Cheshire (EC-48/DEC/CRP.3/Rev.2, dated 25 September 2007).

¶47. (U) Item 5.24: The Council considered and approved a facility arrangement with the United Kingdom at the former CWPF located at Valley Site (formerly ICI Valley), Rhydymwyn, Mold, North Wales (EC-48/DEC/CRP.4/Rev.2, dated 25 September 2007).

¶48. (U) Item 5.25: The Council considered and approved a facility arrangement with the United Kingdom at the converted CWPF located at CRP Portreath (formerly Chemical Defence Establishment, Nancekuke), Portreath Redruth, Cornwall (EC-48/DEC/CRP.8/Rev.2, dated 25 September 2007).

¶49. (U) Items 5.26 and 5.27: The related amendments to the agreed detailed plan for verification of the destruction of chemical weapons at the Newport Chemical Agent Disposal Facility (EC-49/DEC/CRP.3, dated 12 April 2007) were again deferred at Russia's request until the next regular session.

¶50. (U) Item 5.28: The facility agreement with the Russian Federation located in Maradykovsky, Kirovskaya (EC-49/DEC/CRP.5, dated 17 April 2007) was deferred at U.S. request until the next regular session. (See paragraph above on Item 5.2.)

¶51. (U) Items 5.29 and 5.30: The Council further considered modifications to the Pine Bluff Chemical Agent Disposal Facility (EC-49/S/2, dated 14 May 2007), and at the Pine Bluff Binary Destruction Facility (EC-49/S/4, dated 18 May 2007). Both these agreements were deferred by the Russian delegation until the next regular session. (See paragraph above on Item 5.3.)

¶52. (SBU) After being deferred in EC-49, this EC approved the U.S. Schedule 2 facility agreement (Ciba) (EC-49/DEC/CRP.11, dated 8 June 2007) without discussion. Ambassador and delreps had earlier requested that the Russian delegation not hold this first industrial agreement hostage with the other

U.S. documents; they did not.

¶153. (U) Item 5.32: The Council noted a Note by the DG updating it on Schedule 2 facility agreements (EC-50/DG.9, dated 5 September 2007).

Sub-item 5(h): 2006 Verification Implementation Report

¶154. (U) Further to its consideration at EC-49, the Council considered and noted the 2006 VIR and associated documents without discussion.

ITEMS SIX AND SEVEN: OIO and External Auditor Reports

¶155. (U) The Council noted both the DG's report on the implementation of the recommendations of the Office of Internal Oversight (item 6.1) and the TS's note on the status of implementation of the recommendations of the External Auditor (item 6.2).

¶156. (U) The Council also noted the annual report of the OIO for 2006, with no comments being made about the report.

¶157. (U) Facilitator Takayuki Kitagawa (Japan) made oral reports to the Council on items six and seven.

ITEM EIGHT: Office in Africa

¶158. (SBU) During the EC, the DG released his proposal for a "Programme for Africa." Initial report language circulated by the Africa Group warmly welcomed the proposal; however, the report language was toned down after Delreps engaged South Africa and Algeria and offered alternative language. In the end, the Council welcomed the DG's initiative (rather than the proposal itself), noted the need for a facilitator to guide consultations, asked the TS to provide budgetary implications for any additional activities, and also ensured the inclusion of donors and other interested parties in further discussions on the "Programme."

¶159. (SBU) During the adoption of the report language, the DG admitted that the "Programme" was essentially a repackaging of current efforts in Africa and did not include any new initiatives. He also further noted that any new activities would have to be funded through voluntary contributions.

ITEM NINE: Administrative and Financial Matters

¶160. (U) Item 9.2: The Council noted the Medium Term Plan.

¶161. (U) Item 9.3: The Council approved Guatemala's request for a multi-year payment plan for its outstanding assessed contributions. Amb. Rodriguez Mancia (Guatemala) expressed her country's thanks for the Council's decision.

¶162. (U) Item 9.4: The Council noted and forwarded to the CSP a report on the status of implementation of agreed multi-year payment plans.

¶163. (U) Item 9.5: The Council noted the TS's note on the status in 2007 of implementation of the recommendations of the External Auditor.

¶164. (U) Item 9.6: The Council noted the audited financial statements for 2006.

¶165. (U) Item 9.7: The Council forwarded to the CSP the DG's report on income and expenditure for 2007.

¶166. (U) Item 9.8: The Council noted the DG's note on the cash

situation and use of the Working Capital Fund for 2007. The UK, France and Germany all made interventions calling on States Parties to pay their assessed contributions promptly and in full; however, there was no direct mention of the U.S.

¶67. (U) Item 9.9: Del did not block consensus, and the Council recommended to the CSP the proposed alignment of OPCW Staff Regulation 3.2(a) with the corresponding UN Staff Regulation.

¶68. (U) Item 9.10: Germany intervened, noting its concern with the DG's proposal on adopting lump-sum payment for travel-related entitlements. Del rep also noted U.S. concerns and proposed that the DG's plan be adopted for a one-year trial period; the DG countered that a two-year trial was necessary in order to evaluate the change after it ran for a full financial year. Japan echoed the U.S. and German comments. The Council agreed to the two-year trial period (2008-2009) and noted the DG's note.

¶69. (U) Items 9.11 and 9.12: The Council noted the DG's note on the report of Security Audit Team IV (SAT-IV). SAT-IV Chair Yonosuke Haranda (Japan) gave an oral report to the Council, which was followed by the DG encouraging States Parties to support SAT-V both politically and through the nomination qualified auditors. (NOTE: The deadline for nominating auditors for SAT-V is November 30, 2007.)

ITEM TEN: ABAF Report and Membership

¶70. (U) The Council noted both the 23rd ABAF Report and the DG's note with responses to the ABAF's recommendations (item 10.1). The Council also noted the resignations of Gianpaolo Malpaga and John Fox and approved the appointment of Mary Rios (vice Fox).

Item 11: Reports of the Scientific Advisory Board

¶71. (U) Further to its consideration at EC-49, the Council considered and noted the reports of the Ninth and Tenth sessions of the Scientific Advisory Board (SAB-9/1, dated 14 February 2007 and SAB-10/1, dated 23 May 2007 and Corr.1, dated 22 June 2007), and the Director General's note on the

same (EC-49/DG.16, dated 21 June 2007).

ITEM TWELVE: Report on EC Activities

¶72. (U) The Council approved and submitted to the CSP its draft report on the performance of its activities (covering 8 July 2006 to 29 June 2007).

ITEM FOURTEEN: Any other business

¶73. (U) The Council approved an addendum to the report by the DG on the credentials of representatives of members to the Council. Amb. Lak (Netherlands) announced an open meeting for delegates to discuss the 10-14 September 2007 Deft challenge inspection. The meeting will be held in the third week in October to discuss lessons learned and issues with the challenge inspection mechanism.

¶74. (U) The Director General, who returned from New York for the last day of the EC, reported on the high level meeting in honor of the tenth anniversary of the CWC held at the United Nations on September 27. The Council welcomed his oral report at the final action of the Session.